

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE MIDDLE DISTRICT OF ALABAMA
EASTERN DIVISION

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UNITED STATES OF AMERICA)

v.)

RUDOLPH TERRY)

2006 FEB 23 P 1:02
3:06 CR 52-F
[18 USC 871]
DEBRA P. HACKETT, CLK
U.S. DISTRICT COURT
MIDDLE DISTRICT ALA
INFORMATION

The United States Attorney for the Middle District of Alabama charges:

COUNT 1

1. At all times material to this Information:

a. Terry Manufacturing Company ("TMC") was a uniform and clothing manufacturer based in Roanoke, Alabama. TMC's customers included the United States Department of Defense, the United States Forestry Service, and McDonald's Corporation.

b. The defendant RUDOLPH TERRY ("RUDOLPH") was the Chief Financial Officer of TMC.

c. Roy Terry ("Roy"), who is named as a coconspirator but not as a defendant herein, was the President and Chief Executive Officer of TMC.

d. An individual residing in Georgia was a businessman who was the part-owner and an officer of several entities. The individual and his entities will be identified herein collectively as "NDH."

2. From in or about November 2000 through in or about March 2001, in the Middle District of Alabama, and elsewhere, RUDOLPH TERRY and Roy Terry did knowingly and willfully combine, conspire, confederate and agree with each other and with others, to transport, transmit, and transfer in interstate commerce securities and money of the value of \$5000 or more, knowing the same to have been taken by fraud, contrary to Title 18, United States Code, Section 2314.

3. It was part of the conspiracy that, in or about November 2000, Roy and RUDOLPH contacted NDH in order to solicit a loan for the purported purpose of establishing a new business division for TMC to be known as Terry Promotional Products ("TPP").

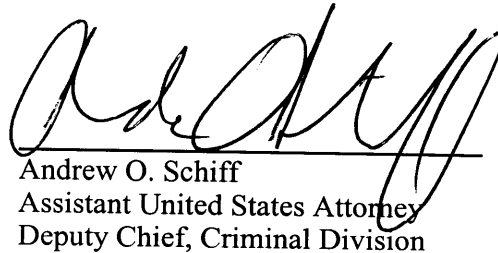
4. It was part of the conspiracy that, in or about November 2000, Roy provided documents to NDH that materially misrepresented the financial condition of TMC, and Roy and RUDOLPH failed to disclose that TMC was suffering extreme financial distress.

5. It was part of the conspiracy that, after NDH agreed to fund the requested loan in the amount of \$5.5 million, on or about November 10, 2000, Roy, RUDOLPH, and NDH signed a loan agreement and promissory note, which state that the purpose of the loan was to capitalize TPP. In fact, as Roy and RUDOLPH then knew, they intended to use the funds to finance the general operating expenses of TMC.

6. During the period from November 2000 through March 2001, NDH funded the loan through a series of checks with a total value of approximately \$5.5 million. RUDOLPH and Roy did not use the funds for TPP but instead caused the funds to be used to pay operating expenses of TMC and to make payments on loans owed by TMC.

7. To effect the object of the conspiracy, RUDOLPH TERRY and Roy Terry committed, among others, the following acts in the Middle District of Alabama: on or about February 15, 2001 and March 15, 2001, they caused to be negotiated checks in the amounts, respectively, of \$1,000,000 and \$500,000, which had been transported from Eatonton, Georgia to Roanoke, Alabama.

All in violation of Title 18, United States Code, Section 371.



Andrew O. Schiff
Assistant United States Attorney
Deputy Chief, Criminal Division